

Secretary of Defense Town Hall Meeting Questions & Answers

As you can imagine, the September attacks on America, diverted our focus a bit on responding in as timely a manner as we hoped to the tremendous number of questions that poured in via e-mail from the Town Hall event.

My staff has read all of them. We value greatly the thoughts and observations offered and will keep them in mind as we endeavor to rebuild our American military for the challenges ahead.

There were so many questions, and some of such detail, that we were unable to address them all individually.

Thank you, again, for your time and effort, and for your patience.

1: Subject: Five-Year Civilian Rotation Limit

Q: Why not lift the five-year limit on civilian employees serving abroad and require that the employee waive the living quarters allowance benefit and provide for relocation expenses when returning to the United States?

A: The five-year limitation on employment in foreign areas allows for the continuous assessment of civilian workforce requirements and promotes the efficiency of worldwide operations. In addition, the policy provides for the Department of Defense a tool to allow its more capable employees in the continental United States the opportunity to accept positions in foreign areas as part of their career development. The policy also ensures continuing employment opportunities to newly assigned civilian and military family members as current employees and family members rotate out of the area. Experience gained during a foreign-area assignment is invaluable to the Department of Defense, providing the employee a "big picture" perspective of the Department and its operations. The five-year limitation, therefore, ensures that management has the necessary flexibility to regulate the ever-changing foreign area workforce requirements, while providing a continuous flow of jobs and career-enhancing experiences for its employees.

2: Subject: Military Retirement and Disability Compensation (H.R. 303)

Q: Congress is looking at legislation that will allow disabled military retirees to draw full retirement pay and disability compensation. Will you support this legislation to bring the military retirement in line with civilian retirement and disability compensation systems?

A: According to our General Counsel's office, a House resolution, adopted May 10, 2001, expressed the sense of the Congress that the Secretary of Defense should report to the congressional committees of jurisdiction on the issue of concurrent receipt of military retired pay and VA disability benefits. We are directed to submit this report no later than November 6, 2001, along with any appropriate legislation.

The DOD opposes H.R. 303, and similar bills that would repeal, in whole or in part, the current prohibition against concurrent receipt of military pay and VA disability compensation as each program was created for a separate population.

Concurrent receipt of retired pay and VA disability compensation has been prohibited for more than 100 years, and no member of the military has been promised both of these benefits.

However, we will continue reviewing the issues involved, and provide that report to the Congress, as requested.

3: Subject: Uniformed Services Former Spouses' Protection Act

Q: What is the Department of Defense position on the Uniformed Services Former Spouse Protection Act?

A: Congress enacted the Uniformed Services Former Spouse Protection Act, or USFSPA, in September 1982, in response to the Supreme Court decision of *McCarty v. McCarty*. In that decision, the Court, in a six to three split decision, held that Federal law prohibited State courts from dividing military retired pay under State community property laws in divorce proceedings.

However, the Court also recognized "that the plight of an ex-spouse of a retired service member is often a serious one," and noted that, "Congress may well decide, as it [had already done] in the Civil Service and Foreign Service contexts, that more protection should be afforded a former spouse of a retired service member."

The USFSPA provided authority for State courts to treat retired pay as marital property subject to division. It does not mandate an automatic division of retired pay, nor does it require the use of a specific formula for dividing retired pay. Rather, it grants State courts the discretion to consider retired pay, along with other marital assets, in making a property division.

In 1998, Congress directed the Department of Defense to conduct a thorough review of the USFSPA and to submit a report to Congress. In response, we conducted a thorough review of the USFSPA and drafted a report that includes conclusions and recommendations. We have received comments from all Services and have completed coordination of the report within the Office of the Secretary of Defense.

On July 2, 2001, we forwarded the report to the Office of Management and Budget (OMB) to obtain their clearance to release it to Congress.

We believe that our report is fair and balanced and that its recommendations, if enacted, will make appropriate changes to the USFSPA.

On September 4, 2001, we delivered our report to the Congress, it is posted at our USFSPA website: <http://dticaw.dtic.mil/prhome/spouserev.html>.

4) Subject: Downsizing

Q: What is the outlook for the continued downsizing and closure of military bases?

A: The Department of Defense sent to Congress, August 3, a proposal for the Efficient Facilities Initiative, formerly referred known as the defense base closure and realignment process.

The Efficient Facilities Initiative will evaluate comprehensively the continuing need for domestic DOD installations and consider how best to organize important military assets to meet future national security needs.

You can find more information about the Efficient Facilities Initiative at <http://www.defenselink.mil/news/Aug2001/d20010802efi.pdf>

5: The Efficient Facilities Initiative Impact on Local Economy

Q: Will the defense installation review take into consideration the impact any recommended action may have on the local economy or the displacement of jobs?

A: There is no installation review yet. Unless Congress authorizes the EFI, no analysis relating to closure or realignment can be done. In the previous base closure and realignment process consideration was given to the possible impact on the local economy. The Department will consider the local economy and the job situation in the community if congressional authority is given for the EFI.

6: **Subject: DOD Civilian Retention**

Q: What is the Department of Defense plan for retaining senior and mid-level Civilian Employees eligible for retirement in five years and how will DOD seek to occupy vacant management positions?

A: The Department of Defense has a four-pronged strategy to address the anticipated civilian workforce decline: first, we will identify the skills that will be required in the future, as well as the occupations where substantial change can be expected. This will help DOD to anticipate and meet the needs ahead effectively.

We are also exploring ways to enhance civilian recruitment, speed up the hiring process, and do something about the pay that will make the DOD a more enticing workplace. In this same vein we want to look at ways to expand childcare capabilities for DOD civilian workers, and to help the growing number of those concerned about care for the elderly.

The third part of the strategy involves the Defense Leadership and Management Program, or DLAMP, now in its fifth year. Through DLAMP we want to continue preparing competitively selected workers at the GS-13 level, and higher, for key leadership positions that would help them function more effectively than their predecessors. We are also taking steps to improve the quality and cost-effectiveness of educational and professional development opportunities for our civilian workforce.

Finally, DOD has created a very good workforce transition package. The fiscal year 2001 National Defense Authorization Act gave DOD the authority to offer buyouts without eliminating positions; the workforce can be reshaped in places where the number of positions might be right, but the skills mix doesn't match up.

We are collecting data on the authority's use this year and requested that Congress extend its use over the next two years.

Collectively, these steps will help the DOD cope with the fact that it employs 76 percent fewer people in their 20s than it did in the 1980s, and 56 percent fewer in their 30s, but six percent more in their 50s.

7: Subject: Military Participation in the Thrift Savings Plan

Q: Why will the government match Thrift Savings Plan contributions for civilian, but not military personnel?

A: As of October 9, 2001, service members, to include active duty and reserve component personnel from the Army, Navy, Air Force, Marines, and Coast Guard, as well as uniformed members of the Public Health Service and the National Oceanic and Atmospheric Administration, are eligible to enroll in the Thrift Savings Plan (TSP) during a special 60-day period.

The TSP is separate from and in addition to the military retirement system, which is based on years of service and rank. The first enrollment window, open from October 9, 2001, to January 31, 2002, will accommodate those entering military service on or before December 8, 2001.

Starting in January 2002, TSP contributions, up to 7 percent of the base pay, will be deducted monthly from the participant's wages. TSP contributions may be invested in one, or among all five, of the TSP funds.

Those entering military service after December 8, 2001, will have 60 days, beginning from the official service entry date, to take advantage of the TSP opportunity.

Following the first special enrollment period, two open seasons will occur yearly, during which the service member will be able to enroll in the TSP program; cease their TSP participation; or adjust the amount of their monthly TSP contribution.

Military personnel may enroll in TSP by completing an election form and submitting it through their local service branch finance office. Detailed TSP information may be found at, and TSP enrollment forms downloaded from, the TSP website <http://www.tsp.gov>.

8: Subject: U.S. Military Deployments

Q: Are you going to return deployment rates to normal levels?

A: The Secretary of Defense is committed to bringing down deployment rates to levels that fit our resources and capabilities. This goal has been a driving force behind review of Department of Defense goals and functions, lead by the Quadrennial Defense Review. We believe that by better aligning military roles and missions to our capabilities and resources, we can reduce both the deployment rate and the associated strain on our service members and their families. We plan to ensure our tempo of operations is kept within reasonable peacetime limits by establishing priorities among competing commitments and by developing more economical ways to meet these requirements. We recognize that despite our best efforts, there will be times when our service members may have to deploy for extended periods. In those cases, we are implementing a program to pay our servicemen and women an extra \$100 a day when their deployed time surpasses 401 days in a two-year period as an acknowledgment of their sacrifice.

9: Subject: Veterans' Educational Assistance Program

Q: What is the Department of Defense stance on the current VEAP to Montgomery GI Bill conversion option?

A: Congress offered Veterans' Educational Assistance Program (VEAP)-era service members the option to convert to the Montgomery GI Bill (MGIB) in October 1996 (Public Law 104-275), but limited such transfers to those with active VEAP accounts (i.e., funding above a zero balance), and required a payment of \$1,200.

Many viewed the requirement for having more than a zero balance in VEAP accounts for MGIB conversion as arbitrary seeing that service members were not forewarned that a zero VEAP balance would affect their future eligibility for MGIB participation.

In response to that concern, Congress enacted the Veterans' Benefits and Health Care Improvement Act (Public Law 106-419), in November 2000, allowing VEAP participants, who pay \$2,700, to convert to the MGIB program regardless of their VEAP account balance.

Congressional staff indicates the \$2,700 member-investment, under the November 2000 statute, corresponds with the original \$2,700 cost to service members for full VEAP participation.

While \$2,700 is more than the \$1,200 conversion fee, it is a relatively small amount to pay for enrollment in the considerably more lucrative MGIB program (\$23,400). This conversion period expires on October 31, 2001.

10: Subject: Quality of Life

Q: How can soldiers at smaller posts enjoy the same benefits and privileges enjoyed by their counterparts at larger installations?

A: Consistent with DOD policy the Military Services go to considerable effort to provide a consistent level of quality of life for their members across all of their installations. However, their ability to do this is tempered by such factors as duty location, host nation agreements, and the political environment. For example, at installations in the Balkans and the Middle-East, many members serve under increased security conditions, away from their families where the installation quality of life programs are less robust than at large CONUS installations, and the opportunities off of the installation are limited. However, even under these circumstances the Services dedicate considerable effort to ensure assigned personnel are provided the quality of life support they require. While the forgoing is an extreme environmental example, commanders at all installations tailor their quality of life support programs to meet the standards established by their Service, the needs of their personnel and families, and the dictates of their environment.

11: Subject: Peacekeeping Duties

Q: Will force structure alterations include plans to create a separate service branch better suited for peacekeeping and humanitarian deployments than war fighting units?

A: There are no plans being considered to create a separate branch of the armed forces to be focused on peacekeeping and humanitarian missions. At a time when our forces are very busy, it makes little sense to have single-function units that have less utility than general-purpose forces. It is more efficient and more prudent

to train general-purpose forces for peacekeeping than it would be to train peacekeeping-only units for war.

12: Subject: The Role of the U.S. Military and Stability in Asia

Q: How do you see the changing role of the American military in Asia, specifically in South Korea, as efforts are made to create a warmer relationship with North Korea and China?

A: Though there have been some promising developments on the Korean peninsula in recent years, President Kim, of the Republic of Korea, or South Korea, has stated very clearly that his country's desire for a U.S. military presence, even following reunification. Our presence in Korea provides an anchor of stability in Northeast Asia. As the Korean Peninsula's security environment evolves, we will review as necessary our future force structure requirements in Korea.